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**SENATE COMMITTEE ON ENVIRONMENTAL QUALITY**

**Senator Allen, Chair**

**2021 - 2022 Regular**

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**Bill No:** SB 989  
**Author:** Hertzberg  
**Version:** 4/18/2022  
**Urgency:** No  
**Consultant:** Eric Walters

**Hearing Date:** 4/27/2022  
**Fiscal:** Yes

**SUBJECT:** Climate Change Preparedness, Resiliency, and Jobs for Communities Program: climate-beneficial projects: grant funding

**DIGEST:** This bill creates the Climate Change Preparedness, Resiliency, and Jobs for Communities Program to award community resiliency, landscape resiliency, and climate and career pathways grants, as specified, to underresourced communities, as defined.

**ANALYSIS:**

Existing law:

- 1) Establishes the Strategic Growth Council (SGC) to coordinate a variety of state programs and activities related to sustainable communities and the environment. (Public Resources Code (PRC) §75121)
- 2) Creates the Transformative Climate Communities (TCC) Program to fund the development and implementation of neighborhood-level transformative climate community plans that include multiple, coordinated greenhouse gas (GHG) emissions reduction projects that provide local economic, environmental, and health benefits to disadvantaged communities. (PRC §75240)
- 3) Requires the California Environmental Protection Agency (CalEPA) to identify “disadvantaged communities,” as specified. In implementing this direction, CalEPA defined disadvantaged communities (DACs) as the top 25% scoring areas from CalEnviroScreen along with other areas with high amounts of pollution and low populations. (Health and Safety Code (HSC) §39711)
- 4) Defines “Low-income households” to be those with household incomes at or below 80 % of the statewide median income or with household incomes at or below the threshold designated as low income by the Department of Housing and Community Development’s list of state income limits. (HSC §39713)
- 5) Defines “Low-income communities” as census tracts with median household incomes at or below 80 % of the statewide median income or with median

household incomes at or below the threshold designated as low income by the Department of Housing and Community Development's list of state income limits. (HSC §39713)

- 6) Defines disadvantaged community (DAC) to mean "a community with a median household income less than 80% of the statewide average." (PRC 75005)
- 7) Establishes the Housing-Related Parks Program to provide grants for the creation, development, or rehabilitation of park and recreation facilities to localities based on the housing made available to very low- or low-income households. (HSC § 50701)

This bill:

- 1) Establishes the Climate Change Preparedness, Resiliency, and Jobs for Communities Program (Program), to be administered by the SGC.
- 2) Defines "underresourced community" to mean either:
  - a) A DAC identified by HSC §39711;
  - b) A low-income household or low-income community as defined by HSC §39713; or
  - c) A DAC as defined by PRC §75005.
- 3) Directs SGC to administer the Program, and to do all of the following:
  - a) Prioritize grants for projects in underresourced communities;
  - b) Ensure that projects maximize multibenefit, community-level, climate beneficial projects that create community and landscape resiliency and workforce development benefits;
  - c) Make grant selections contingent on the implementation of one or more projects in the plan;
  - d) Maximize the impacts and benefits of the Program in as many communities as possible; and
  - e) Ensure that the grant application process is simple and minimize the resources necessary for an eligible entity to apply.
- 4) Permits the SGC to prioritize projects administered by a special district or state conservancy, and award grants over multiple years.
- 5) Requires eligible entities to deploy best management practices to:
  - a) Develop and implement a project to reduce GHG emissions;
  - b) Remove barriers that will lead to GHG emissions reductions;

- c) Sequester GHGs;
  - d) Reduce vehicle miles traveled (VMT); or
  - e) Provide other climate adaptation benefits.
- 6) Directs SGC and all funded entities to seek additional public and private sources of funding to sustain and expand the Program.
- 7) Permits SGC to provide financial assistance, when necessary, to assist eligible entities with the grant application process and with project development and implementation.
- 8) Directs SGC to, on or before July 1, 2023, develop guidelines to implement the Program and criteria to select projects, and specifies feedback and stakeholders to consider.
- 9) Requires the guidelines and selection criteria for community resiliency grants to include, but not be limited to:
- i) Community resiliency grants to support the development of climate-beneficial projects with multiple benefits, including affordable housing, community greening, and workforce development.
  - ii) Prioritization of projects maximizing one or more of the following: affordable housing; urban greening; school greening; river parkways; parks; urban tree canopies; water capture and reuse; brownfields cleanup and remediation pilot projects; workforce development; active transportation and trails; and zero- and near-zero emission vehicle technologies and infrastructure.
  - iii) Efforts to include the following in the guidelines and selection criteria for the community resiliency grants:
    - a) The development of new affordable housing and the protection and restoration of existing affordable housing stock;
    - b) Provisions that leverage funding from the Housing-Related Parks Program;
    - c) Use of a portion of funds to acquire and bank lands for future, integrated community climate resiliency projects;
    - d) Promotion of nongovernmental organization partnerships, as specified;
    - e) A portfolio approach to selecting projects to fund, including support for local organizations that work in the community;
    - f) Leverage of regional funds, including specified examples; and
    - g) Advance antidisplacement policies that promote equitable and sustainable project development without displacing existing communities.

- iv) Specification that funds may be used for project and program costs that support project completion and maintenance, including acquisition, restoration, enhancement, planning, capacity, construction, technical assistance, advanced payments, maintenance and operations, and community access.

10) Requires the guidelines and selection criteria for landscape resiliency grants to:

- a) Support the development of climate-beneficial projects with multiple benefits including but not limited to water conservation, watershed resiliency, wildlife and fish species enhancements, and natural landscapes resiliency.
- b) Award grants to projects that maximize one or more of the following benefits: coast and oceans, natural lands, Natural Community Conservation Plan and Habitat Conservation Plan implementation, wetlands and mountain meadows, or wildfire management and restoration, including projects in the wildland urban interface.
- c) Promote nongovernmental organization partnerships, as specified; a portfolio approach to selecting projects to fund, including support for local organizations that work in the community; leverage of regional funds; and Advance antidisplacement policies that promote equitable and sustainable project development without displacing existing communities.
- d) Specify that funds may be used for project and program costs that support project completion and maintenance, including acquisition, restoration, enhancement, planning, capacity, construction, technical assistance, advanced payments, maintenance and operations, and community access.

11) Directs SGC to establish guideline and selection criteria for climate and career pathways grants to support projects that provide certifications or placement services for jobs and careers in the natural resources field, as specified.

## **Background**

- 1) *Climate change impacts do not harm evenly.* California is already experiencing the effects of climate change today. For example, eight out of the past ten years have had significantly below average precipitation. As of September 2020, the state has experienced a degree of wildfire activity that California's Fourth Climate Change Assessment initially forecasted to not occur until 2050. We can expect effects such as these as well as extreme weather events to increase

over time until global emissions are significantly reduced.

The effects of climate change to date have been felt the world over, but the most dire consequences have often struck those least able to defend themselves. This is true both in California and worldwide. Experts predict unprecedented numbers of deaths, ecosystem destruction, and human migration. In a 2019 report on climate change and poverty, the United Nations Human Rights Council states, “Addressing climate change will require a fundamental shift in the global economy, decoupling improvements in economic well-being from fossil fuel emissions... An over-reliance on the private sector could lead to a climate apartheid scenario in which the wealthy pay to escape overheating, hunger, and conflict, while the rest of the world is left to suffer.”

Climate change poses the greatest threat to those least responsible for it, including low-income and disadvantaged populations, women, racial minorities, marginalized ethnic groups and the elderly. When equity is taken into account for GHG emissions reductions, “the combined emissions of the richest one per cent of the global population account for more than twice the poorest 50 per cent. The elite will need to reduce their footprint by a factor of at least 30 to stay in line with the Paris Agreement targets,” according to the United Nations Environment Programme (UNEP) 2020 Emissions Gap Report.

Besides the impacts of climate change, these same populations are often the most harmed by the sources of GHGs as well. For example, a joint UC Berkeley-UCSF study found that redlining—the discriminatory practice that began in the 1930s of denying home loans and other forms of investment in areas largely defined by the race and social class of their occupants—was still highly predictive of air pollution exposure in 2019. Their analysis of eight California cities showed that residents of historically redlined neighborhoods were still more than twice as likely as their peers to visit emergency rooms for asthma. Previously redlined neighborhoods also continue to exhibit significantly higher levels of diesel particulate matter in the air. Even more recently, another UC Berkeley-UCSF study found that those same historically redlined communities have roughly twice as many oil and gas wells sited in them.

- 2) *Transformative Climate Communities*. AB 2722 (2016) authored by Assemblymembers Autumn Burke and Joaquin Arambula created the Transformative Climate Communities (TCC) program to be administered by the SGC. The TCC program awards large grants to develop and implement neighborhood-level climate sustainability plans.

TCC puts community leadership first, requiring all projects to develop a collaborative governance structure between stakeholders such as local government, community-based organizations and residents. The process works to ensure that projects are derived from resident-identified needs, giving community members ownership over changes taking place in their own neighborhoods. TCC then funds communities to develop and implement holistic, connected visions for how to transform their neighborhoods to reduce CO2 emissions and provide meaningful community benefits such as cleaner air, improved health and job opportunities. For example, this might include building affordable housing near transit, planting an urban street canopy and installing solar on homes, all at once.

Overall, the anticipated project outcomes from the eight implementation grants that have been awarded over the first five years of the program are, according to SGC, 20 miles of bike lanes installed, nearly 13,000 trees planted, nearly 400 affordable housing units built, 26 electric buses in operation, 861 jobs placements, 6,901 community members engaged, 50 policy or program initiatives, 400 community workshops, and 637 solar panels for homes.

- 3) *Five-year TCC review.* Greenlining Institute—co-sponsors of the original bill creating TCC alongside the California Environmental Justice Alliance—published an extensive review of the program last fall. The report’s key findings were that TCC was working, participating communities were reducing GHG emissions (to the tune of 200,000 tons over the next 5 years), that the program should be expanded, and that despite these successes some challenges remain. Those challenges included more guaranteed funding going forward, as well as administrative and financial burdens that make it difficult for underresourced cities and counties to participate.

The report describes TCC’s commitment to equity as being unrivaled in the state. Equity means increasing access to power, redistributing and providing additional resources, and eliminating barriers to opportunity, in order to empower low-income communities of color to thrive and reach their full potential. According to Greenlining, TCC is the first climate program in California to robustly thread equity through every aspect of design — from the program’s goals, values and vision all the way through to evaluation.

One feature highlighted was the breadth of funded projects. In contrast to conventional government grants that can often be siloed by narrow issue areas, TCC bundles multiple projects together under one program, making it easier for communities to access significant funding and support without the burden

of having to apply and report for each grant separately. Consequently, however, the complexity of preparing and submitting the application to that one program can become challenging without substantial technical assistance.

- 4) *Better neighborhoods, same neighbors*. Gentrification is defined as “a process in which a poor area experiences an influx of middle-class or wealthy people who renovate and rebuild homes and businesses and which often results in an increase in property values and the displacement of earlier, usually poorer residents.” In order to serve the communities that are the most vulnerable to the impacts of climate change and provide equity to groups who have been marginalized through historically racist development practices and policies, significant investment is needed. If that investment is provided without firm protections in place preventing displacement of existing residents, then those investments do not in fact serve the communities they were intended to.

As climate change starts to play a more significant role in where we live, it has become a trigger for gentrification and displacement in its own right. Coastal cities that lie on the frontlines of global warming have seen an influx of investments to improve climate resilience. The efforts to redevelop or build new structures that can withstand the impacts of intensifying storms, flooding, erosion, and sea-level rise may inadvertently pose new threats to low-income communities of color. As people with the resources to move choose to do so (whether to avoid increasing floods, wildfire, extreme heat, or any other impact of climate change), the people disproportionately exposed to those same disasters will be the same people who already suffer the consequences of historical racial and economic inequities.

Fortunately, TCC has served as a model of how to achieve equitable climate-centric investments in underresourced communities without triggering displacement. The East Oakland TCC project “Better Neighborhoods, Same Neighbors” is an excellent example. The proposal was developed to ensure projects were integrated to collectively create jobs for residents, build affordable housing to avoid displacement, enhance infrastructure to promote health and active transportation and build community wealth while embracing the cultural legacy of East Oakland residents. The antidisplacement measures were further operationalized through the East Bay Permanent Real Estate Collaborative, which coordinated state and private funds to purchase and steward housing that supported long-time residents.

## Comments

- 1) *Purpose of Bill.* According to the author, “California can no longer afford to treat climate change as a distant threat; the climate crisis is already here. The state is facing repeated cycles of severe drought that threaten access to water, wildfires that destroy entire communities, rising sea levels, and extreme heat which was estimated to cause 3,900 deaths in the past decade. Conditions are only expected to worsen and hasten.

“SB 989 creates the Climate Change Preparedness, Resiliency, and Jobs for Communities Grant Program to fund local projects that support sustainable communities, resilient landscapes, and climate-focused career pathways. This program will reduce greenhouse gas emissions, improve energy-efficiency, enhance local communities, and bolster climate resilience. By funding projects that support green workforce development and requiring a portion of funding be dedicated to underresourced communities, California can uplift communities most impacted by the climate crisis.”

- 2) *Crucial work.* If California cut all GHG emissions to zero tomorrow, roughly 99% of world emissions would remain, and global climate change would continue accelerating unabated. However, even if the entire world cut all GHG emissions to zero tomorrow, the planet would still be expected to warm for at least 13 more years, due to the behavior of existing gasses in the atmosphere. Though bleak, the reality is this: California needs to prepare for a future that is less hospitable, while doing its part to cut the emissions contributing to it.

The community resiliency grants, landscape resiliency grants, and climate and career pathways grants envisioned in SB 989 all help prepare the state for that future. The people who will be most immediately and urgently impacted by climate change will, in many cases, be the same people who have been the least served by other elements of the state’s (and country’s) economy and historical policies.

The TCC program, in the 18 planning grants and 8 implementation grants that have been provided in its first five years, has demonstrated a model for how impacted communities can drive meaningful, integrated solutions in their neighborhoods to reduce GHGs while strengthening their climate resilience. To the extent that SB 989 can learn lessons from TCC and is able to support more communities alongside it, it can serve as a way to accelerate work that needs to be done at the fastest possible pace.

Given the importance of this work in improving equity among the state’s most underresourced communities facing climate change, the committee may wish to consider supporting this measure today.



*Going forward, the author should continue working with SGC and other stakeholders to ensure that the Program will be implemented in a way that supplements but does not supplant TCC.*

**Related/Prior Legislation**

AB 1029 (Mullin, Chapter 353, Statutes of 2021) designated certain pro-housing policies, including TCC.

**SOURCE:** Author

**SUPPORT:**

Arroyos & Foothills Conservancy  
California Association of Local Conservation Corps  
California Catholic Conference  
California Habitat Conservation Planning Coalition  
California Park & Recreation Society  
Endangered Habitats League  
Friends of The Los Angeles River  
Los Angeles Neighborhood Land Trust  
Mammoth Lakes Trails and Public Access Foundation (MLTPA)  
Nature for All  
Placer Land Trust

**OPPOSITION:**

None received

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